

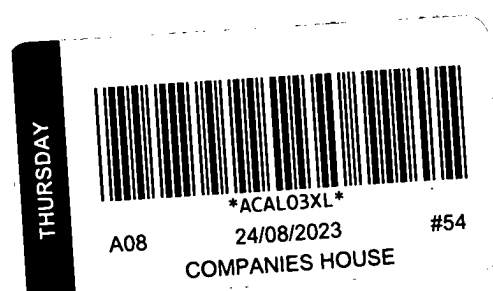
Registered number: 00220533

Accles & Shelvoke Limited

Financial statements

For the Year Ended 31 December 2022

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Accles & Shelvoke Limited

Company Information

Directors	T Stenager M Lenz (resigned 12 September 2022)
Registered number	00220533
Registered office	Unit 5A Maybrook Business Park Maybrook Road Minworth Sutton Coldfield West Midlands B76 1AL
Independent auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH

Balance Sheet
As at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	4	83	180
Tangible assets	5	110	190
		<u>193</u>	<u>370</u>
Current assets			
Stocks	6	836	1,151
Debtors: amounts falling due within one year	7	1,198	4,757
Cash at bank and in hand	8	744	804
		<u>2,778</u>	<u>6,712</u>
Creditors: amounts falling due within one year	9	(335)	(367)
Net current assets		<u>2,443</u>	<u>6,345</u>
Total assets less current liabilities		<u>2,636</u>	<u>6,715</u>
Provisions for liabilities			
Deferred tax	10	-	(3)
Net assets		<u><u>2,636</u></u>	<u><u>6,712</u></u>
Capital and reserves			
Called up share capital	11	498	498
Other reserve	12	-	15
Profit and loss account	12	2,138	6,199
		<u><u>2,636</u></u>	<u><u>6,712</u></u>

Accles & Shelvoke Limited
Registered number:00220533


Balance Sheet (continued)
As at 31 December 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 May 2023.



T Stenager
Director

The notes on pages 3 to 12 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

1. General information

Accles & Shelvoke Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page. The principal activities of the company are the manufacture and sale of humane stunning tools for humane slaughtering, powerloads and spare products to the slaughter and animal welfare industry worldwide.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Frontmatec Group as at 31 December 2022 and these financial statements may be obtained from Frontmatec Group, Platinvej 8, 6000 Kolding, Denmark.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Property improvements	- 10% - 15% straight line
Plant and machinery	- 10% - 15% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 20% - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

All amounts in the financial statements have been rounded to the nearest £1,000.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.17 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 6 to 8 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 22 (2021 - 19).

Notes to the Financial Statements
For the Year Ended 31 December 2022

4. Intangible assets

	Development expenditure £000
Cost	
At 1 January 2022	260
Additions	12
Disposals	(106)
At 31 December 2022	166
Amortisation	
At 1 January 2022	80
Charge for the year on owned assets	29
On disposals	(27)
At 31 December 2022	82
Net book value	
At 31 December 2022	84
At 31 December 2021	180

Amortisation is included within administration expenses in the Profit and Loss Account.

Notes to the Financial Statements
For the Year Ended 31 December 2022

5. Tangible fixed assets

	Property improvements £000	Plant and machinery £000	Motor vehicles £000	Computer equipment £000	Total £000
Cost					
At 1 January 2022	258	1,142	53	106	1,559
At 31 December 2022	258	1,142	53	106	1,559
Depreciation					
At 1 January 2022	203	1,039	34	93	1,369
Charge for the year on owned assets	34	29	8	9	80
At 31 December 2022	237	1,068	42	102	1,449
Net book value					
At 31 December 2022	21	74	11	4	110
At 31 December 2021	55	103	19	13	190

6. Stocks

	2022 £000	2021 £000
Raw materials	117	109
Work in progress and stock parts	619	792
Finished goods and goods for resale	100	250
	836	1,151

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

7. Debtors

	2022 £000	2021 £000
Trade debtors	483	448
Amounts owed by group undertakings	506	4,203
Corporation tax repayable	106	26
Prepayments and accrued income	82	63
VAT repayable	5	17
Deferred taxation	16	-
	1,198	4,757

8. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	744	804
	744	804

9. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	270	269
Amounts owed to group undertakings	-	14
Other taxation and social security	18	16
Accruals and deferred income	47	68
	335	367

Notes to the Financial Statements
For the Year Ended 31 December 2022

10. Deferred taxation

	2022 £000	2021 £000
At beginning of year	(3)	(13)
Charged to profit or loss	19	10
At end of year	16	(3)

The deferred taxation balance is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	11	(8)
Timing differences	5	5
	16	(3)

11. Share capital

	2022 £000	2021 £000
Authorised		
1,000,000 (2021 - 1,000,000) Ordinary shares of £0.50 each	500	500
Allotted, called up and fully paid		
996,722 (2021 - 996,722) Ordinary shares of £0.50 each	498	498

12. Reserves

Other reserves

The other reserve represents the charges in connection with share warrants in other group entities.

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

13. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £44,000 (2021 - £46,000). There was £6,000 (2021 - £5,000) contributions outstanding at the balance sheet date.

14. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £000	2021 £000
Not later than 1 year	161	143
Later than 1 year and not later than 5 years	606	562
Later than 5 years	512	652
	<u>1,279</u>	<u>1,357</u>

15. Related party transactions

The Company has taken advantage of the exemption conferred by section 33 of Financial Reporting Standard 102 not to disclose transactions with group companies, on the grounds that 100% of the voting rights in the company are controlled within that group and the company's results are included in the group's consolidated financial statements, which are publicly available.

16. Controlling Party

At 31 December 2022, the immediate parent undertaking is Frontmatec Group ApS, a company incorporated in Denmark. Copies of the financial statements for Frontmatec Group ApS can be obtained from its registered office, Frontmatec Group, Platinvej 8, 6000 Kolding, Denmark.

At 31 December 2022, the ultimate parent undertaking is KKR & Co. Inc., a company incorporated in the United States of America and listed on the New York Stock Exchange.

The parent undertaking of the smallest and largest group to consolidate their financial statements is Frontmatec Group ApS, a company incorporated in Denmark. Copies of these financial statements can be obtained from Frontmatec Group, Platinvej 8, 6000 Kolding, Denmark.

At 31 December 2022, the Director considers there to be no ultimate controlling party.

17. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 4 May 2023 by Julian Townsend FCA FCCA (Senior statutory auditor) on behalf of Dains Audit Limited.